

## 1. Budget Overrealized Receipts

2013-14

2014-15

This request budgets overrealized receipts generated through elevator inspections, boiler inspections and amusement inspections, reducing the need for appropriation. Actual receipts have exceeded the budgeted amount for the past two years.

Requirements	-	-
Receipts	<u>\$500,000</u>	<u>\$500,000</u>
Appropriation	(\$500,000)	(\$500,000)

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### Why does the department oppose this recommendation?

- These bureaus are not currently generating – and will not generate - \$500,000 in overrealized receipts. OSBM is using old numbers that don't accurately represent our current financial situation.
- While the department has generated excess receipts in the past, this money is now budgeted for new expenses in the Elevator and Amusement Device bureau including critical computer projects and increased operating expenses.
- Since there are no excess receipts to cushion the loss of general fund appropriations, we must find the money by cutting other areas of our department.
- A loss of \$500,000 in appropriations represents a 3.1% reduction – a painful cut when taken in addition to the more than \$4 million that the department has lost over the past four years.

### Summary

- The Department of Labor has always been willing to take its fair share of reductions. If this year's budget requires the need for further reductions, we are ready to contribute an equitable portion.
- We ask that you take a close look at the amount of cuts we've sustained in recent years, particularly in comparison to other state agencies. Continued reductions will severely diminish the department's ability to execute its core responsibility of workplace safety.
- We're a small department with a small impact to the general fund and ask that you work with us to determine the least painful options for the upcoming biennial budget.